



FROM THE OFFICE OF STATE TREASURER BRIAN K. KROLICKI

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STATE ISSUES ALMOST \$155 MILLION IN GENERAL OBLIGATION BONDS

(Carson City, Nevada) – State Treasurer Brian K. Krolicki announced the sale of almost \$155 million in general obligation bonds yesterday. The bond sale came less than a week after the state secured a credit upgrade from Standard and Poor's rating agency, the third upgrade the State has received from the national rating agencies in the past few years. With the upgrade, Nevada's General Obligation bond rating increased from AA to AA+.

"This rating upgrade had an immediate impact with the sale of these bonds, saving an estimated \$50,000 in bond insurance for this sale alone," said Treasurer Krolicki. "I'm proud that during my tenure this office has been able to work closely with the Budget Director and State Economist to secure credit upgrades for the State, saving Nevada taxpayers millions of dollars in interest."

The first bond sale, \$22 million in General Obligation (Limited Tax) Open Space, Parks and Natural Resources Bonds over 20 years, was competitively won by Merrill Lynch & Co. with a true interest cost of 4.629 percent. The proceeds from the bonds will be used to fund State Lands, Parks and Wildlife Question 1 projects authorized by voters in 2002. A second bond, for \$16 million in General Obligation (Limited Tax) Natural Resources Bonds, was sold to Stone & Youngberg LLC with a true interest cost of 4.854 percent over 30 years. This project will be used for State Lands Projects in the Lake Tahoe area and the Marlette Capital Improvements to the pumping system done in conjunction with Carson City Utilities. The \$2.925 million in General Obligation (Limited Tax) Cultural Affairs Bonds were competitively won by Morgan Stanley with a true interest cost of 4.679 percent over 18 years. These bonds will finance improvements to the Western Folklife Center, Piper's Opera House, Thunderbird Lodge, and the White Pine Historical Railroad, among other projects. Finally, almost \$114 million in General Obligation (Limited Tax) (Revenue Supported) Water Refunding Bonds was sold to Merrill Lynch & Co. with a true interest cost of 4.536 percent over 17 years. The refunding is currently estimated to save ratepayers of the Southern Nevada Water Authority almost \$5 million.

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